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Facts for NORTHEAST COMMITTEEMEN

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REGIONAL AND NATIONAL AAA MEETINGS IN JULY ON 1940 PROGRAM

Recommendations for the 1940 Agricultural Conservation Program have been made by county and community committeemen in county and district meetings, and are now being assembled by the State committees. A regional (NER) conference on July 7 and 8 will consider State recommendations and prepare for the national conference on the 1940 program to be held in Washington, July 10, 11 and 12. Present plans call for announcement of the 1940 program as soon as possible after the conference. State, Regional, and National bulletins on next year's program are scheduled for distribution this Fall.

AAA PAYMENTS TO BE EARLIER THIS FALL

An early start on checking performance on farms in the 1939 Agricultural Conservation Program, which means that payments should be in the hands of farmers earlier this Fall than heretofore, is indicated by the series of State meetings now under way at which State office personnel and county administrative assistants are studying the procedure. This year the men who do the work of measuring performance are called "farm checkers" instead of supervisors. The work of checking performance will start as soon as the farm checkers are ready.

OVER HALF MILLION BUSHELS OF WHEAT INSURED

Nearly 3,000 wheat growers in the three northeastern states which grow wheat, Pennsylvania, New York, and New Jersey, have their 1939 crop protected from serious loss through insurance with the Federal Crop Insurance Corporation. Their policies insure a total production of 589,493 bushels of wheat on 38,941 acres. Wheat growers have had a favorable winter generally throughout the region. Although there has been injury in some sections from such causes as hail, flood, winterkilling, and severe spring heaving, there has been no complete loss of crop reported by any farm.

AGRICULTURAL EXPORTS AND IMPORTS

(This information is in response to numerous requests from committee-men for facts about U. S. foreign trade in farm products. A few of the more common questions are answered in a general way. Other information so far as it is available will be supplied on request.)

"One reason the farm surplus problem has been chronic ever since the World War is the disappearance of markets overseas for the products of 40 million acres."

-----Secretary of Agriculture, Henry A. Wallace

I. Exports of Farm Products

Outstanding facts as to the export of U. S. farm products include:

(a) There has been a general decline in farm exports since soon after the War, particularly affecting meat and dairy products and grains.

(b) There was a sharp decline in exports during the early years of the depression -- a decline which was accentuated by the droughts of 1934 and 1936.

(c) The depression decrease was a part of a general shrinkage in all world trade which at the worst of the depression amounted to about 25 percent in quantities of goods and very much more in value. World trade has improved since 1932 but is not completely back to pre-depression levels. The restoration of world trade in agricultural products is impeded by efforts of important food-importing countries to promote national self-sufficiency and to concentrate foreign purchases on essential war materials. As an illustration of the drop in agricultural trade, world shipments of wheat dropped from 947 million bushels in the 1928-29 season to 523 million bushels in the 1935-36 season.

(d) With the passing of the drought, the total quantity of farm products exported from this country increased substantially, although it did not return completely to predepression levels. For the last calendar year, exports of grains and grain products were the largest since before 1929, and exports of all farm products except cotton were the largest since 1930 and over double the average yearly amounts of the drought period of 1935 to 1937. Cotton exports, on the other hand, are still low as a result of a number of conditions.

II. Imports of Competitive Farm Products to U. S. are of relatively little importance.

(a) Total Competitive Imports.

For a good many years about 90 percent of the U. S. market for farm products of the kind produced commercially in this country has been supplied by American farmers. This percentage has tended to become even larger recently except for the period of the great droughts from 1935 to 1937. In 1938 only 7 percent of the U. S. market for farm products was supplied by imported products - the lowest figure for any year for a long time except for 1932.

Percentage of U. S. Market Supplied by U. S. Farmers

1924	89%	1932	93%
1925	89	1933	92
1926	89	1934	92
1927	89	1935	91
1928	90	1936	91
1929	89	1937	89
1930	91	1938	93
1931	92		

(b) Imports of Dairy and Poultry Products.

The much discussed imports of dairy products, never in many years equalling more than one and one-half percent of total dairy production in this country, have declined to almost microscopic proportions. There was a little increase in the drought years but in 1938 imports of all dairy products equalled only one-half of one percent of total domestic production.

Percent of U. S. Production of Dairy Products Supplied by Imports

1924	1.5%	1932	0.5%
1925	1.4	1933	0.5
1926	1.5-	1934	0.5
1927	1.5-	1935	0.9
1928	1.3	1936	0.8
1929	1.1	1937	0.8
1930	0.9	1938	0.5
1931	0.6		

Imports of poultry and poultry products have also declined, and in 1938 the total value of eggs and other poultry products imported was slightly over one-tenth of one percent of the value of United States production.

(c) Beef Imports.

Percent of U. S. Production of Beef and Beef Products Supplied by Imports

1924	1.1%	1932	1.3%
1925	1.1	1933	1.6
1926	1.6	1934	1.6
1927	3.8	1935	4.0
1928	5.0	1936	4.1
1929	5.7	1937	4.9
1930	3.1	1938	4.2
1931	1.0		

As indicated by the accompanying table, beef imports, while as a whole higher since 1927 than previously, have never reached significant proportions. It tends to be true, as would be expected, that relatively high prices of beef attract somewhat larger quantities to this country. A large part of the imports is in the form of canned goods, while home-produced meat possesses the higher-priced fresh meat market.

PENNSYLVANIA ENTERS MATERIALS PROGRAM THIS YEAR

Pennsylvania farmers this year can secure lime and superphosphate for pasture improvement use by participating in the Agricultural Conservation Program. The plan through which these materials are made available is similar to the one used in several of the New England States in 1937 and 1938. It was tried in Susquehanna County, Pennsylvania, last year and was so popular that this year the State Committee has extended it to include every county in the State.

The amount of lime and superphosphate a farmer can secure through the program is determined by the amount of his maximum soil-building payment. He makes a small payment to cover local handling charges at the time his order is placed, and the balance is deducted from the check he would otherwise receive in the fall for carrying out the soil-building practices encouraged by the program. The lime and superphosphate furnished Pennsylvania farmers are for use on pastures only.

The State committee estimates that there are in Pennsylvania between $2\frac{1}{2}$ and 3 million acres of pastureland, part of it so depleted that it is a liability rather than an asset to the State as a whole. If floods are to be checked, our soils preserved, and our cost of livestock production held to a minimum, these pasturelands must be treated with lime and superphosphate.

"Farmers 30 years ago recognized the depletion of cropland fertility through constant cropping," says James E. Walker, chairman of the State Committee. "Today they realize that pastures are depleted by constant grazing and, like cropland, need their fertility restored if they are to continue to be productive. Otherwise farmers must provide more pasture by using meadows or cropland, or by grazing woodland. Woodland grazing, however, destroys the young, tender growth so that reforestation is eventually needed. The 1939 conservation program gives Pennsylvania farmers an opportunity to secure more feed from their present pasture acreage."

NEW YORK AND BOSTON MILK CASES UPHELD

The United States Supreme Court recently upheld the constitutionality of the Agricultural Marketing Agreement Act of 1937, which provides for marketing agreements and orders regulating the handling of milk, and also upheld the validity of the Federal orders in the Boston and New York markets. The Court's ruling on the Boston program means that producers will be able to receive approximately \$3,000,000 due them from handlers under the equalization pool set up by the order. Most of this money has been held by the District Court pending a final ruling by the Supreme Court. It will be released to farmers as soon as the necessary legal processes can be completed. The New York order will be reinstated July 1 to restore to that market the machinery for once more stabilizing conditions which have grown chaotic since the adverse lower court ruling last February. It is possible that the New York order will be amended in the light of operating experience, but it will not delay the resumption of operations under the marketing program on July 1.